DOCUMENT RESUME

ED 279 033 CS 505 481

AUTHOR Kendall, Robert
TITLE Research of Organizational Culture: A Mythic History of A.T.& T.
PUB DATE Nov 86
NOTE 26p.; Paper presented at the Annual Meeting of the Speech Communication Association (72nd, Chicago, IL, November 13-16, 1986).
PUB TYPE Speeches/Conference Papers (150) -- Viewpoints (120)

EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS Behavior Standards; Beliefs; *Business Administration; Communication Research; Group Dynamics; *Ideology; *Organizational Communication; *Public Relations; Social Systems; Social Values
IDENTIFIERS *American Telephone and Telegraph Company; *Organizational Culture; Rituals

ABSTRACT

Mythologies develop in corporations the same way they develop in tribes or nations and provide the driving force for building loyalty to and identification with the organization. The myth-building process involves a constituting experience or founding event, an existential interpretation of the event, the institutionalization of the event, and the emergence of social and ethical values as well as a belief system with doctrines and rituals. The mythic history of American Telephone and Telegraph (AT&T) began with a series of foundings: Bell Patent Association and Bell Telephone Company among them, and finally, American Telephone and Telegraph Company. The existential interpretation of AT&T is that the corporation exists to provide universal service. Institutionalization of the existential interpretation is virtually without dissent within the corporation. The values implicit in universal service require the company to furnish the best possible service at the lowest cost, consistent with fair treatment of employees and shareholders. The belief in an integrated corporate structure also follows from the universal service credo. Corporate doctrine appears in the president's annual message to stockholders, while ritual is best represented by AT&T's Vail Medal awards program. These stages of corporate myth making can be applied to other organizations in order to better understand organization communication and culture. (SRT)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

This document has been reproduced as received from the person or organization originating it.

Minor changes have been made to improve reproduction quality.

Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

ED279033

RESEARCH OF ORGANIZATIONAL CULTURE: A MYTHIC HISTORY OF A.T.& T.

BY

ROBERT KENDALL, Ph.D.

University of Florida

Gainesville, Florida 32611

A Paper Presented to the Organizational Communication Division of Speech Communication Association, in convention, Chicago, Ill. November 13-16, 1986.

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

Robert Kendall

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

CS 505 481

BEST COPY AVAILABLE

Organizational culture has become a popular topic in the last few years. What has prompted interest in the topic might be described this way: American industry discovered it was being out-managed and out-produced by the Japanese, and wondered why. The Japanese management system came under intensive scrutiny. Books and articles like William Ouchi's Theory Z[1] suggested that the Japanese success may be attributed to the strong organizational cultures found in Japanese industry. The Business Management literature thus began to explore Organizational Culture as a way to meet Japanese competition. Terrence Deal and William Kennedy's Corporate Cultures[2] is an example of where this interest led.

Corporate or organizational culture is seen as the key to excellence. Edgar H. Schein of MIT offers a "New Awareness of Organizational Culture" to readers of Sloan Management Review. He defines it as follows:

> Organizational culture is the pattern of basic assumptions that a given group has invented, discovered, or developed in learning to cope with its problems of external adaptation and internal integration, and that have worked well enough to be considered valid, and, therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those problems.[3]

Some writers have probed beneath the surface of organizational culture and found that it involves concepts quite strange to traditional business thinking: ideology, beliefs, rituals, myth, symbols. William Starbuck in a Journal of Management Studies article suggests that when number crunching has

failed to solve organizational crises, theorists have turned to ideology.

> Ideologies are logically integrated clusters of beliefs, values, rituals, and symbols. The interaction among elements within an ideology enable a change by one element to produce far-reaching effects. The interactions between ideologies emphasize stylized or metaphorical language. One can see rituals and language at work when organizations are acting.[4]

If ideology is a cluster of logically integrated social artifacts, the foundation for such structures must be the system that gives meaning to the structure, that is the interpretation of collective experience, in short, myth. Hedberg, Jonsson, and Lundin suggest just that. They claim, as Starbuck also notes, "that organizations adopt ruling myths as general strategic frameworks"[5]

It is the relationship between this mythology and organizational culture that we propose to explore in the pages that follow. While the concept of myth is frequently addressed in the management literature, recognition that it is myth is infrequent. Roger D'Aprix calls it "corporate dogma."

> The corporate dogma, as I like to call it, is simply the terms in which a business is fond of describing itself. It is not necessarily what a corporation is, but instead it is "the reality" it defines for the public at large and for its own employees. Of course, this dogma was not suddenly pronounced one day from a mountaintop. Instead it has evolved in bits and pieces over the years in response to spoken and implied requests for the business organization to articulate itself and its goals.[6]

George N. Gordon describes the same phenomenon as "myth." He calls his book, Persuasion, "a book of mythology, because, as we shall shortly confirm, myths and symbols are among the most ubiquitous vehicles of persuasion." He means that myths convey those orientations peculiar to a culture by which its people

identify themselves with that heritage, "myths are formulated in all cultures," he continues, "especially and including our own. They invariably reflect a form of cultural consensus beyond 'common wisdom' and constitute the milieu for many perceptions we receive of the world around us."[7]

We will suggest in the following pages an approach to discovering an organization's mythology--the interpretations an organization's members give to the shared experiences that constitute the organization, its founding, its heroes, its significance. It is this process of interpreting the facts of history which give an organization a vital self-consciousness; interpretation is the process of myth making. The richest organizational cultures are those with the strongest mythologies.

One cannot read the corporate histories of General Motors, IBM, or AT&T without the sense of a developing mythology. Mythologies develop in corporations the same way they develop in tribes or nations. In both the larger national culture and in the corporate culture, mythologies provide participant members with the driving force for building loyalty to and identification of the organization.

This guide to researching organizational culture by study of its mythology makes several assumptions: first is that culture is more a product of mythic interpretation of events than of a strict factual, objective history. The second assumption is that myth develops or evolves through at least six stages or manifestations.

That is, these manifestations may be evident alone or in connection with other evidences of these mythic elements, but there is some tendency for the elements to evolve in the order listed.

MYTH SHAPES THE CORPORATE CULTURE

Myth, as we define it here, is the process of social or organizational self-identification. This social self-identification is the self-conscious personality of a group of people--whether a tribe, a nation, or a corporation. The myth-building process involves: a constituting experience or a founding event; an existential interpretation of the event; the institutionalization of the event; from the event emerge social and ethical values, as well as a belief system with doctrines and rituals. These six stages are as follows:

1. The Constituting Experience or the Founding Events are those experiences which bring an organization into being. This is the beginning of the mythic process. The experience is momentous, spectacular or otherwise significant for those who participate in the organization. The origin myths of various peoples as well as the establishment of the American Telephone and Telegraph Company are examples. The experience must be an event of portent according to the perceptions of those who share the group experience in the first and succeeding generations. The founding events are associated with and usually precede the next stage:

2. An Existential Interpretation of the Experience enables the group to come to an understanding of the foundinng experience by attributing a special meaning to it. The group interprets the existence of the entity by giving it a meaning that both explains

why the organization exists and what it means to be a part of the organization. This is often stated as the corporate philosophy and mission. The interpretation is quite subjective and tends to be what the group--especially the leadership--wants to believe about itself. It is this social self-interpretation that gives myth its power to command allegience, loyalty, conformity and devotion. The interpretation is formalized in the next stage:

3. Institutionalization of the event, as interpreted, fixes the experience in a formal expression. A constitution or articles of incorporation are common forms this institutionalization takes. The organizational structure and corporate identity are other forms through which a corporation becomes a recognizable institution. This institutionalization also provides cohesiveness to keep the group together and strengthen its integrity. For corporate entities the institutionalization commands attention and conformity from dissidents and endorses the values that emanate from the organization.

4. Social and Ethical Values emerge from the self-conscious organization and, if not a direct ourgrowth of the founding events and its interpretation, are often strongly associated with these origins. Behavior patterns, practices and outlooks that were a part of the origins take on the authority of and are legitimized by the organization. The affirmation of the ways things were done in the beginning of the organization may easily be translated into values, ethics, behavior norms and social responsibility practices. These values may become further formalized into a system of beliefs.

5. A Belief System evolves which formalizes elements associated with the organization's orgins. The belief system is a quasi religion, formalizing the organization's values into a code of behavior which may be written but which is more often an unwritten set of norms enforced by social pressure. The belief system is an effort on the part of the organization at self protection; the ways of doing things that contributed to the original success of the organization are listed, remembered and defended. The belief system may be more general than the next stage which further formalizes the values and beliefs into the official version.

6. Doctrine and Ritual affirm the correct way to believe and celebrate the origin and meaning of the organization. Doctrine incorporates the official way to teach what the organization exists for. Doctrine offers a rational explanation designed to answer questions which come up about the origins and purpose of the organization such as position papers and other formal rationalizations. Ritual expresses in shared emotion the ways the organization commemorates and celebrates the corporate heritage, especially through the special events in which members participate in dramatizing the meaning of the organization.

The myth experience thus provides a self-affirmation for the socially cohesive organization and provides the rationale for social values and ethical norms which, to the organization, are necessary to its preservation. The mythic interpretation of the organization's origins, when associated with its institutionalization, its values, beliefs, doctrines and rituals, provides the materials from which strong organizational cultures are built.

The process is not an intentional effort nor is it the product of one or a few visionaries. Myth is a collective process stimulated by the human desire to be of some significance which identification with a substantial organization offers. People contribute to the process with no conscious awareness that they are creating a myth. The result is something that all are proud to be a part of; but few are aware how the institution with all its symbols and meaning evolved, or that they might have had a part in its shaping.

Because such mythic history is so important to organizational culture it is valuable to know something of how mythic history evolves in order to be able to research mythic history in other organizations. From such mythic histories one can begin to understand the nature of organizational culture.

Like all organizations, businesses, nonprofits, and government agencies, the erstwhile largest corporation in the world has a rich culture, based on such a myth. The structural elements of its mythic history reveal how the process operates in organizations in general. The way mythic history supports a corporate culture may be seen by examining the American Telephone and Telegraph Corporation (ATT).

The ATT as a corporate entity has exhibited the six elements of mythic evolution which provide the foundation for its corporate culture.

A MYTHIC HISTORY OF A.T.& T.

1. <u>The Experience of the Founding Events</u> of the corporation, as with most organizations, was a series of events. Just as Henry Nash

Smith observed about the evolution of America's frontier myth, so with ATT; no one person or no one event was responsible for the emergence of the corporation or for its mythic interpretation, it was a collective process. Particular heroes, however, may have had a disproportionate influence. One observer has noted that "If Alexander Graham Bell invented the telephone, Theodore Vail invented the Bell System."[8]

Yet the founding of ATT involved six different corporate entities and several other significant events. The founding of ATT was thus a series of foundings.

The significant founding events for ATT included invention, patents, and a series of incorporations among other events. Alexander Graham Bell established the Bell Patent Association on Feb. 12, 1875 to finance experiments on which he had been working for two years.[9] Bell filed a patent application Feb. 14, 1876, describing two methods for transmiting sound by electrical current. The patent, number 174465, was awarded March 14, 1876.

The record also includes an account of how Bell summoned his assistant, Thomas Watson, with the famous words, "Come here Watson. I want You." The account notes that Bell had spilled battery acid on his trousers, which led one skeptic to wonder whether so urgent a situation as battery acid in one's lap would have evoked so sedate a message. Bornholtz and Evans date the first telephone conversation as taking place March 10, 1876 between Bell and Watson. All of these events have mythic implications, and may have become a part of the lore of the Bell System and of American society.

While continuing to develop the device and to file patents on these developments, Bell faced the new challenge of exploiting the invention commercially. To this end the Bell Patent Association was dissolved and reincorporated July 7, 1877 as the Bell Telephone Company with the same shareholders: the wealthy fathers of two of Bell's deaf students; Thomas Sanders, a Boston leather merchant and Gardiner Green Hubbard, a Boston lawyer and Bell's future father-in-law, together with Bell and Watson.[10]

To raise additional funds, the Bell Telephone Co. appointed regional agents to promote the device and through them leased telephones to customers who were responsible for constructing their own lines, often with the assistance of the Bell agent's construction company. The agent received a rental commission as well as profits from constructing the lines.

The corporation itself went through a succession of metamorphoses between 1875 and 1885, each a renewed effort to meet the growing need for funds to meet new demands for service:[11]

* Bell Patent Association, Feb. 27, 1875-July 9,1877;
* Bell Telephone Co.(a Mass. Assn.)July9, 1877-July 30, 1878;
* New England Telephone Co.(a Mass. Corp.)Feb. 12, 1878-Mar. 13, 1879; Theodore Vail served as general manager.
* National Bell Telephone Co.(a Mass. Corp.)Mar. 13, 1879-May 1880; William Forbes was major shareholder and President.
* American Bell Telephone Co.(a Mass. Corp.)April 17, 1880-May 1900;
* American Telephone and Telegraph Co.(a New York Corp.)Mar. 1885--to the present. ATT was a subsidiary of American Bell, from 1885 to 1899, and Vail was president of the subsidiary until his resignation

in 1887; it acquired the assets of American Bell in 1899 and has been publicly owned since 1900. Vail became President of this corporation again in 1907.

Leadership of the burgeoning corporation posed a challenging set of problems. Hubbard, one of the two original investors, singled out "a young man of vision, ability, and force to carry on the development of the telephone industry."[12] The young man, Theodore Vail, had distinguished himself as assistant general superintendent of the railroad mail service under Postmaster General William Jesell. It was Hubbard who

> . . .persuaded him to undertake direction of the telephone industry under the title of general manager of the Bell Telephone Co. Between May 1878 and September 1887 Vail organized the expanding telephone system; he merged the rapidly multiplying local exchanges into more efficient companies; he put into effect a practical system of financing the telephone industry; he provided for anticipatory technical development and for improved and more economical manufacture of telephone apparatus, with the Western Electric Co. as the manufacturing unit, so as to improve the quality and extend the distance of telephone transmission. His culminating contribution in this period was to unify the industry by connecting all the operating companies and exchanges by long-distance telephone system.[13]

In a time of "robber barons," when exploitation of both the land's natural resources and its people was the norm, when the same William Vanderbilt who spoke the epithet "the public be damned" also owned control of Western Union[14] which was the major competitor of the telephone, Theodore Vail was, in the words of Alvin Toffler, "a radical manager" who believed in serving the public.[15]

When the "Boston capitalists" were out-maneuvered by the New York house of Morgan in 1907, the Morgan interests reestablished Vail as President of the now dominant ATT. With the expiration of the Bell patents in 1893-94, competition had posed a growing threat

to the Bell System. Vail moved to meet the challenge with an abrupt change in Bell System policy.[16]

He took steps to improve deteriorated service being provided by the operating companies; in place of direct competition with independent companies outside its service area Bell now encouraged cooperation. Vail also began to advocate the concept of regulated monopoly. "Instead of competition--or its antithesis, a government owned monopoly--Vail called for a private monopoly subject to regulation."[17]

With Vail in place as president of the Bell System, the founding events for ATT were complete. But the meaning of this monumental corporation was still being debated, as it would be for 60 years.

2. Existential Interpretation is the meaning the members of an organization attribute to the organization to justify to themselves and to others the existence of the organization and their participation in it.

As with all myths, ATT's existential interpretation has been subject to contradictory interpretations. Was ATT a means to control and exploit the telephone for profit, or was it a means to insure the instrument's fullest and most efficient application to serve society? The question is a classic dilemma; there is no final answer, only the polemic statement of one point of view or the other.

Vail and the Bell System, of course, chose the second interpretation: The Bell System existed to provide "universal

service." Universal service thus became the existential interpretation that gave meaning to the system's existence. There were also, throughout ATT history, those who argued the reverse and sought to restrain what they saw as a huge conspiracy against the public good.

The argument Vail used and the Bell System adopted was that the regulated monoply offered the best hope for universal service--that telephony best served society when everyone was provided, through one system, the use of a telephone. Systems that competed and duplicated the service that Bell offered were a common situation in many cities at the time. Brock and Evans cite Vail's point of view:

> After Vail took charge in 1907, ATT gradually embraced government regulation of the telephone industry. He noted in AT&T's Annual Report for 1907 that "it is contended that if there is to be no competition, there should be public control. It is not believed that there is any serious objection to such control, provided it is independent, intelligent, moderate, thorough and just. . .[18]

The interpretation of the existence of ATT remained, until divestiture, virtually unchanged since Vail's statement of it:

> A public utility giving good service at fair rates should not be subject to competition at unfair rates. It is not that all competition should be suppressed but that all competition should be regulated and controlled. That competition should be suppressed which arises out of the promotion of unnecessary duplication, which gives no additional facilities or services, which is in no sense either extension or improvement, which without initiative or enterprise tries to take advantage of the initiative and enterprise of others by sharing the profitable without assuming any of the burden of the unprofitable parts or which has only the selfishly speculative object of forcing a consolidation or purchase.[19]

Vail advocated one system and service to everyone; in the context of the competive situation of 1907 the ideal was far from being realized. Many cities had two systems with businesses at least

needing two instruments, two directories and receiving two bills. Vail wrote that he did not believe that universal service could be "accomplished by separately controlled or distinct systems. . ."[20] Most regulatory commissions agreed with Vail in opposing duplicate local systems.

Walter S. Gifford, who in 1925 became president of ATT, reiterated the Vail argument even after local duplicated service was no longer common. In 1927 Gifford spoke to the National Association of Railroad and Utility Commissioners. Universal service at the lowest cost justified monoply:

> . . .the business of this Company . . .is to furnish telephone service to the nation. This business is from its very nature carried on without competition in its usual sense. . .. Obviously, the only sound policy that will meet these obligations is to continue to furnish the best possible telephone service at the lowest cost consistent with financial safety.[21]

Universal service, because it was the existential interpretation for ATT, has been the key to its corporate culture. W. Brooke Tunstall, in examining the cultural changes anticipated from divestiture notes: "To understand Bell's culture, one must understand that it evolved in a precise way to directly support the corporate mission: achieving universal service in a regulated environment."[22]

After the founding events and the organization's interpretation of them, the next stage in the evolution of a mythology is the idealization and institutionalization of corporate self-interpretation.

3. Institutionalization of the existential interpretation of ATT--that the corporation exists to provide universal service--is

virtually without dissent within the corporation, as the above accounts of ATT's self-interpretation makes clear. To be a part of the corporation is to share the interpretation of the founding events as expressed in formal articles of incorporation as well as in the various ways the corporation identifies itself. The original "certificate of incorporation" of ATT used the word "telegraph" rather than "telephone," which, according to John Brooks, "left AT&T free to enter telegraphy if it should ever want to." However, the certificate described an envisioned operation broad enough to encompass anything that would be necessary to provide universal service: the purpose was declared to be: "constructing, buying, owning, leasing, or otherwise obtaining, lines of electric telegraph partly within and partly beyond the limits of the State of New York, and of equipping, using, operating, or otherwise maintaining the same.[23]

An institution is more than an idea set to paper. Every organization has its own identity; symbols, logos, corporate colors, uniforms and trademarks are but a few of the ways an organization is institutionalized. In this context ATT stands out, even with modernization, the Bell logo remains one of the most familiar institutions for most Americans. Employee and customer alike know the corporation by its stylized bell, its easily identified trucks and equipment, its employee's uniforms, the letterhead on its stationery and the distinctive format of its bills. ATT has become institutionalized for all who recognize these identifications.

In the full range of corporate activities, from conferences, seminars amd workshops to the annual stockholders meeting, the

corporate institution is identified to everyone who has an interest in the organization. It says for each participant: I am a part of this great institution. The power of this personal identification with the institution is cultivated over a lifetime of employment and may eclipse even the "old school ties" that unite schoolmates over the years.

The social cohesiveness and conformity that grows out of institutionalization of an idea like "universal service" as an interpretation of the existence of ATT contributes much to the sharing of values. The shared corporate and ethical values become a part of the individual's identification with the corporation and the commitment and loyalty that result.

4. Social and Ethical Values become a form of mutual reinforcement of those attitudes and opinions which make for a successful organization. The reinforcement is circular: certain members of the organization identify values that build the integrity of the organization, these values are formalized in statements of policy or slogans which encourage other employees to espouse and promote the values. Thus the organization preserves its integrity by building values that defend its identity as a corporate entity.

Alvin Toffler served as a consultant to the Bell System in its effort at self examination while ploting its course through the challenge which led to divestiture. He describes how the values implicit in "universal service" were "unarguably good" and "morally energizing."

> For half a century, roughly 1900-1950, the prevailing motto of the company was, 'One policy, one system, universal service.'

> No statement could have more succinctly encapsulated the assumptions of the whole Vail era, and it led to a single, simple, corporate goal: saturation of the market. Since even as late as 1940, fewer than 40 percent of American homes had telephones, this was no small task. Putting a telephone--the same black telephone--into every American home was a goal that was not only clear and easy to comprehend, it was plausible. It was unarguably good. And it was morally energizing.[24]

This moral good is of course, an outgrowth of the "universal service" theme which defines and interprets the meaning of ATT's existence.

Other values are associated with the universal service interpretation. Arthur Page, ATT's public relations officer under Gifford explained the meaning of "good service" as a constant improvement of what was offered to customers and the "overtones of good service" as the politeness and reasonableness of the Bell System employees and their commitment to the company:

> I am talking about character--running a business so that the more the employees know about it the better they feel about it, and running it with people who know what they are doing, have a pride in their profession and want that held in high esteem by other people because it deserves to be.[25]

These values of employee relations were seen as a direct consequence of service.

Tunstall traces the corporate value system to ATT's "president Walter Gifford [who] in 1929 provided the 'value system' to realize" the corporate mission of "one system, one policy, universal service." "Gifford stated that the Bell System's goal was to strike a fair balance in the treatment of employees, customers, and shareholders. His philosophy was to 'furnish the best possible service at the lowest possible cost, consistent with fair treatment of employees and shareholders."[26] These sentiments were expressed

as early as 1883 by a Gifford predecessor Theodore Vail who had implanted the concept of fair treatment to all constituencies years earlier.[27]

The corporate value system which grows out of the interpretation given to the founding events leads psychologically to the structuring of a belief system.

5. A Belief System develops from the interpretation attributed to the corporate entity which further formalizes the institutionalization and values attendant on the corporate self-interpretation. The belief system takes on the semblance of a religion, especially in the exertion of social pressure to conform to the beliefs and values of the organization. As a quasi religion the belief system becomes a "faith" which employees are expected to espouse. The pressure to conform is exerted not so much by the officials of the organization as by the employee's peers--perhaps even more by the retired members of the "Telephone Pioneers of America."[28] The employee manual may set forth certain rules of behavior, but the employee's peers are likely to assume the role of enforcers and even to elaborate on the rules. The employee manual may specify good grooming, but peers give feedback on the hair style or the particular dress. The pressure to conform may be defended as "the way we do things around here."

The belief system is a very visible aspect of the corporate culture. Whether formally stated or not, the pressure to conform to company ways surrounds the employee's work life. From personal grooming to the make and model of car driven on the one hand to the explanation of why people do things the way they do or how decisions

are made on the other hand, the belief system permeates every aspect of organizational life.

Page characterizes the corporate employee policy as a "belief" of the corporation. It was, "to pay salaries and wages in all respects adequate and just and to make sure that individual merit is discovered and recognized." He claimed it had "the same influence as the belief or creeds or platforms of other organizations in providing a common faith, a common objective and a cohesion and unity immensely valuable to any enterprise requiring the effective cooperation of many men and women."[29] This emphasis on fairness to employees is, of course, a necessary part of effective customer service--the basic self-interpretation of the company.

The belief in an integrated corporate structure also followed from the universal service credo. "For most of this century, Bell System people believed that the surest way to achieve universal service was to manage the entire telecommunications system 'end-to-end' as a single entity, with both vertical and horizontal integration."[30]

Corporate beliefs--those that are shared by most, if not all employees--are ramifications of the most basic corporate self-interpretation, "universal service" in the case of ATT. Not only employee policy and the way to achieve universal service constitute part of the belief system, but beliefs about how the world works are a part of it also.

According to Toffler, "Every business has a belief system--

and it is at least as important as its accounting system or its authority system." Moreover, "the most important ones are the ideas least discussed." For ATT, Toffler traced the corporate belief system to Theodore Vail. "Vail's ideas eventually themselves became scriptural."[31]

The final stage in the evolution of a mythology we will mention--though the stages do not necessarily develop in this order, indeed may develop simultaneously--is doctrine and ritual.

6. Doctrine and Ritual represent an "explanation" of the interpretation of the corporation's existence and its associated institutionalization, values, and belief system, as well as the "emotional celebration" of employee participation in the corporate organization. Doctrine is the rational explanation of the corporate credo. Ritual is the emotional celebration of the same credo.

The most appropriate example of corporate doctrine--the rationalization of corporate self-interpretation--is in the president's message to stockholders in the annual report. These statements have been traditional sources of what it means to be a part of the corporation. Of course, the other statements generally made by the chief executive officer, serve as doctrinal statements as well.

Ritual is another matter. Corporations including ATT have rituals--those experiences of group emotion--which express in verbal and nonverbal ways what corporate participation means. Rituals are celebrations of corporate life such as awards ceremonies, recognitions, building dedications, conventions,picnics, retreats, and the like.

ATT affords a classic example of ritual in the Vail Medal awards program. A cursory reading of the employee actions that won either gold, silver or bronze medals leaves one with a strong sense of pride and empathy which Bell people must feel to be identified with such heroics. The public, whether subscribers to Bell services or not, will likely also feel some of the emotion that employees feel by reading these accounts. One also may note that the medals are almost exclusively for deeds that demonstrate service beyond the call of duty.[32]

Southwestern Bell recognized its new independent status after divestiture with a ritual event recorded on video tape and available from the company headquarters in St. Louis, MO. The production is a musical review worthy of Broadway starring Crystal Gayle with title and theme song: "Celebrate the Spirit of Southwestern Bell."

CONCLUSION

This extended example of what the research of a mythic history of a corporation might involve may serve as a model for such studies of other organizations. This essay is but an example and is neither exhaustive of everything that might represent the evolution of ATT's mythology, nor does it spell out everything that might be said of mythic development.

Further research of organizational culture and mythology might examine these suggested stages in more detail, might apply these criteria to other organizations, might apply them to an analysis of national culture, might compare evidences of these criteria in strong vs weak organizations, or might compare them with other means of analyzing culture in organizations.

It should be noted that the example of ATT's mythic history is being displaced by a new mythology as a result of divestiture--so that this account may better represent what may be found in other corporations than what may be found in tomorrow's ATT.

Endnotes:

[1] Ouchi, William, Theory Z: How American Business Can Meet the Japanese Challenge. (New York: Avon Books, 1981).

[2] Deal, Terrence and Allen A. Kennedy, Corporate Cultures (Reading, Mass.: Addison-Wesley Publishing Co., 1982).

[3] Schein, Edgar H. "Coming to a New Awareness of Organizational Culture" Sloan Management Review (Winter 1984):3.

[4] Starbuck, William H. "Congealing Oil: Inventing Ideologies to Justify Acting Ideologies Out" Journal of Management Studies 19(1982):3.

[5] Ibid, 13.

[6] D'Aprix, Roger M. In Search of a Corporate Soul. (New York: AMACOM, 1976).

[7] Gordon, George N. Persuasion. (New York: Hastings House, 1971), p. xxi.

[8] Tunstall, W. Brooke, "Cultural Transition at A.T.& T." Sloan Management Review (Fall 1983):18.

[9] Investigation of the Telephone Industry in the United States, A Report of the Federal Communication Commission. Washington, D.C.: U.S. Government Printing Office, 1939),p. 1.(Subsequently: FCC Report).

[10] Ibid., p.3.

[11] FCC Report, p. 2.

[12] "Theodore Newton Vail" Dictionary of American Biography.

[13] Ibid.

[14] FCC Report, p. 85.

[15] Toffler, Alvin, The Adaptive Corporation. (New York: McGraw Hill, 1985),p.32.

[16] FCC Report, p. 153-54.

[17] Shooshan, H. M. III ed. Disconnecting Bell (New York: Pergamon Press, 1984). p.10; see also W.A. Brock and D.S. Evans, "Predation: A Critique of the Government's Case in U.S. vs A.T.& T." in Breaking Up Bell, D.S.Evans ed. (New York: North-Holland, 1983). p. 41-43.

[18] Brock and Evans, p. 41.

[19] Ibid., 42; citing A.T.& T. Annual Report 1910, p. 33.

[20] Shooshan, p. 10.

[21] Page, Arthur, The Bell Telephone System. (New York: Harper, 1941), p. 11-12.

[22] Tunstall, p. 18.

[23] John Brooks, Telephone: The First Hundred Years. (New York: Harper & Row, Publishers, 1975), p. 91.

[24] Toffler, p. 34.

[25] Page, p. 30.

[26] Tunstall, p. 18.

[27] Cutlip,Scott and Allen Center, Effective Public Relations 3rd ed.(Englewood Cliffs, NJ: Prentice Hall, 1964), p. 31. A photostat of a letter shows Vail enquiring about an Iowa operating company's relations with the public: "Is the Telephone service as it is now being furnished, satisfactory to the public. Are the prices satisfactory to the public, considering the facilities and service that is given. Would it be advantageous to furnish the same service now being furnished at any lower rate provided it could be done."

[28] von Auw, Alvin, Heritage & Destiny. (New York: Praeger, 1983), p. 362-63.

[29] Page, p. 17.

[30] Tunstall, p. 18.

[31] Toffler, p. 31-33. Toffler enumerated seven of these basic beliefs that were traditional components of the ATT belief system, and displaced only by the changes associated with divestiture: 1. Most men want the same thing out of life,. . .economic success is the ultimate goal, so that the way to motivate them is through economic rewards. 2. The bigger a company, the better, stronger and more

profitable it would be. 3. Labor, raw material and capital, not land are the primary factors in production. 4. . . .the production of standardized goods and services is more efficient than one by handcraft. . .. 5. . . .the most efficient organization is a bureaucracy in which each sub-organization has a permanent, clearly defined role. . .an organizational machine. . .. 6. Technological advance helps standardize production and brings progress. 7. Work, for most people, must be routine,repetitive and standardized.

[32] Vail National Awards (New York:[ATT], 1950). Mrs. Julia C. Berry died at her switchboard in a Chicago fire, remaining at her post to warn guests in a hotel building shared by the company, refusing to leave after repeated urgings because all rooms had not been warned.